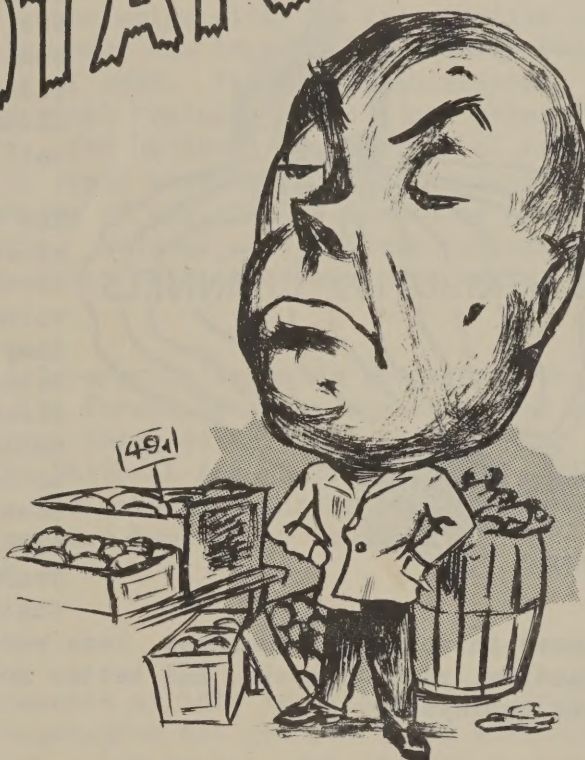


Know Any "COLD POTATOES?"

Extension Develops New Approaches
to Agricultural Marketing Through
Educational Programs for
Food Retailers.



The "cold potato" needs first to be identified. This is the theme you chose for this panel. It is a symbol representing any of us who may be unskillful, smug, indifferent, not properly trained or well qualified for our jobs. If we are to be worth our keep, if we are to gain enough skill and efficiency to perform our functions well, we must be fired with enthusiasm. We must be charged with the necessary information and techniques and facilities and inspiration. We must be "warmed up." Education and training will do it.

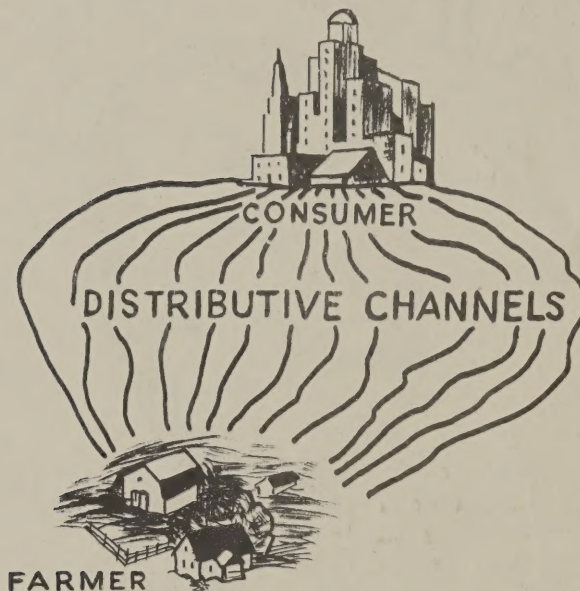
You want to sell more fresh fruits and vegetables. You and your retailer customers want nothing to interfere with these sales, and you both know the key position the retailer is in. Our task here today is to explore some ways of aiding and inspiring him so no retail produce handler may be thought of as a cold potato.

To this end, the Agricultural Extension Service is preparing to participate actively and aggressively in educational and training work with retail handlers of foods, beginning with fresh fruits and vegetables. Some of the State Extension Services are including projects of this kind in their educational marketing programs, and the U.S.D.A. Extension Service is equipping itself to aid and encourage this development.

Adapted from a talk by Charles W. Hauck, Extension Economist, Division of Agricultural Economics, Extension Service, U. S. Department of Agriculture, at the 58th annual convention of the National League of Wholesale Fresh Fruit and Vegetable Distributors, Statler Hotel, Boston, Massachusetts, January 25, 1950.

Objectives

The immediate purpose is to aid participating retailers and their employees to become better informed and more skillful, in order that these farm products may move more smoothly through distributive channels with less waste, less decline in quality, lower costs, better returns to farmers, and greater satisfaction to consumers. In time, Extension's educational program may be expected to include aids dealing with the entire retail food store operation.



The benefits of personnel training are known to you, of course. Shippers and service wholesalers are aware that the volume of fresh fruits and vegetables they sell is largely dependent upon the retailer, and they have been watching closely to see what happens when the retailer and his employees are subjected to training and education, as they have been here and there in various ways, especially during the last two or three years. You have seen it demonstrated that good training is followed by sharp

increases in volume of business, less waste and losses, faster turnover of merchandise, reduced costs, and better morale and relations between employers and employees.

Another Approach to Marketing Problems

Educational work with the farmer on his farm cannot go the whole way in solving agriculture's marketing problems. Extension has helped farmers in the adoption of good business practices, and similar assistance is being requested more and more by those who handle the farmer's product or use it.

The producer's interests are closely tied to those of the distributor and consumer. Indifferent, uninformed and inefficient operating practices, wherever these prevail in retail stores, interfere with the flow of goods through the marketing system, and whatever can be done to raise the standards and improve the practices of the personnel who prepare, display, and sell the product in such stores will be sure to benefit all concerned.

It was this conviction that prompted this organization at your convention in Pittsburgh in February of 1949 to re-emphasize the need for more work of this nature, and to call on the Extension Service to bring its facilities and organization to bear on the problem. Similar action was taken by the Vegetable Industry Advisory Committee (Research and Marketing Act) in April, and by the National Association of Retail Grocers in June.

A Beginning Has Been Made

Let us take a quick look at the educational work with retailers of fruits and vegetables now under way. Two national trade associations of wholesalers and jobbers are sponsoring training schools - the United Fresh Fruit and Vegetable Association is partly supporting such a training program with FMA contract funds, and the National League of Wholesale Fresh Fruit and Vegetable Distributors is cooperating with the distributive education system in the Nation's schools under the terms of the George-Deen Act of 1936 and the George-Barden Act of 1946. Private organizations, notably the corporate food chains, conduct training schools and supervise the practices of their own employees. The National Association of Retail Grocers has for many years engaged in broad educational work along these lines. Here and there State departments of agriculture have done and are doing some service work with retailers. Several of the State extension services have had some experience in this field and others are making a beginning.

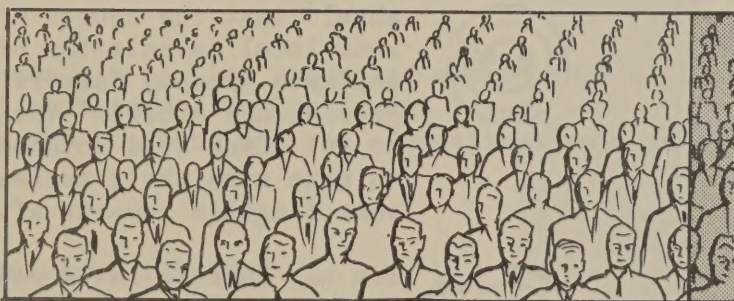
Both pre-service preparation and in-service training get attention in these programs. Illustrative of the former is a new 4-year course in food merchandising and distribution now being established at Michigan State College with sponsorship of the National Association of Food Chains. Also important in this connection is the schooling taking place in some of the schools and colleges with the combined support of the U. S. Office of Education and the National League.

Needs Not Yet Fully Met

Nevertheless, educational requirements at this important point in the distribution system for fruits and vegetables are not yet being adequately served. The directive of the Research and Marketing Act of 1946 to help distributors of farm products to improve their operations needs to be more fully implemented.

A measure of the magnitude of the task appears when the rather considerable achievements to date are viewed against the vast numbers engaged in the handling of fresh fruits and vegetables in retail stores in the United States, estimated at about 1,000,000 persons. Probably less than 5 percent of those now working in these retail produce stores and departments have received any instruction or information through all of these programs combined. Moreover, under existing conditions the turnover of retail personnel in the

Of one million retail fruit and vegetable clerks-



less than 5 % have received any instruction ↑

fresh produce business through business failures, discharges and resignations is extremely high.

The challenging task of improving the skills and broadening the information and understanding of retail handlers of fruits and vegetables still lies mainly ahead. It is a big task, and a continuing one.

Program Patterns

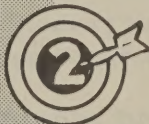
The nature of Extension's educational work with retailers and prospective retailers is likely to vary from State to State, perhaps to some extent even from community to community within a given State. As in other marketing projects, the plan and procedure best adapted to any situation cannot always be foretold with accuracy. Subject matter, methods of presentation, and other characteristics of each Extension project will be influenced by local needs and conditions. These may be the degree to which other agencies may be active in the area or willing and able to cooperate in such programs, the availability of qualified extension specialists or leaders, the extent to which the instruction is offered to employers or to employees, the kind and degree of local support that can be enlisted, the amount of time in-service trainees can devote to the instruction, and other factors.

Perhaps the most important consideration is the attitude of the local service wholesaler. In your community, that means YOU.

I hope you realize that much of the responsibility for the success of these educational and training programs rests squarely on you. If your customers (and you in turn) are to be benefited, there are some things you, yourself, must do. Let me suggest four of them:



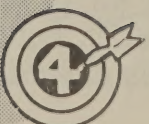
You will have to show initiative in bringing the program to your territory. You can start by getting in touch with the College of Agriculture in your State.



You will need to support it in every reasonable way, though it costs you something -- time, energy, possibly even some merchandise or money.



You must arouse the active interest of those who should take the course of instruction, working with your local association of retail grocers, organized employee groups, farmers' organizations, consumer groups, and others. You need to devise incentives to get these cold potatoes into these classes, and to make sure their increased efficiency brings them some tangible rewards after they have been warmed up.

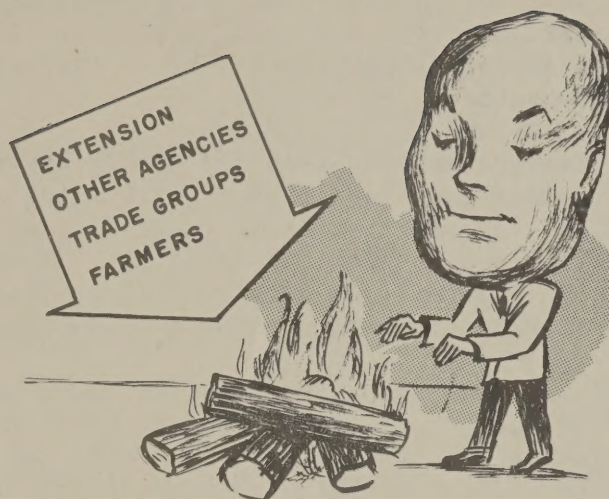


You may have to raise your own standards of performance in your own business to stay abreast or ahead of the improved operations of the retailers that look to you for supplies and service.

Relations of Extension With Other Agencies

Teamwork in this far-reaching program is fundamental.

Agriculture is increasingly aware that marketing problems often come to focus at the retail level, and this association has done a great deal to make that clear. Consequently, Extension proposes to give more and more attention to those problems at that point.



Yet Extension has no desire to work alone when joint action with others holds greater promise. Educational needs and opportunities here are so great and so continuous that even under the most favorable circumstances the task cannot be completed in the foreseeable future. Interested agencies working together will certainly make greater progress than separately or competitively. Extension therefore expects to combine its experience and knowledge and abilities with those of other such agencies wherever possible to add strength and momentum to the attack upon these retailing problems, and to bring about correlative improvements in the grading, packing, and merchandising practices of producers.

As in all extension work, each State or Territory determines its own pattern and accepts responsibility for its own projects, yet these State programs are cooperative with the U.S.D.A. Extension Service. Especially advantageous is this arrangement in the early stages of new work such as this.

In any case, educational programs of two or more agencies directed to food retailers can and should be complementary, never competitive. By agreement and planning in common, one may teach specific skills, while another deals with broad background information. One may operate in the larger cities, another in smaller towns and remote areas. One may provide a brief concentrated course of training, while another's educational offerings are continuous. One may emphasize pre-service preparation, another in-service training.

Good working relations between all parties concerned are as much a responsibility of the commercial operators - wholesale and retail - as of the public agencies that provide the training and the educational materials.

In Conclusion

What I have said may be summarized this way:

- (1) Retailing is one of the key functions in the distribution of farm products. Many retailers operate with efficiency.

- (2) But wherever retailers and their employees are not well qualified or trained, they operate unskillfully, inefficiently, indifferently, and often unprofitably, especially in the handling of perishables. They are cold potatoes.
- (3) In these cases consumers are poorly served, sales volume is small, wastes and costs are excessive, margins and selling prices have to be high if the retailer is to avoid losses, and fresh fruits and vegetables come to be the unwanted stepchild, the nuisance department. The ill effects are felt not only by the retailer and consumers, but also by producers, shippers, service wholesalers, and the entire supply system.
- (4) Training and education have been shown to add materially to the expertness and to the profits of those retailers that have been exposed to their influence. It has been proved that they not only contribute to better maintenance of quality, reduced distribution costs, and lower prices to consumers, but also that they remove a constriction from the distributive pipeline and encourage freer flow of food products from farms. This in turn benefits producers, distributors, and consumers.
- (5) But educational programs of this sort have not reached over 5 percent of those engaged currently in retail handling of fresh fruits and vegetables, to say nothing of those who will need to be trained and prepared in advance for retail jobs next month, next year, and the future. This problem is important, it is big, it is continuous. It calls for a broader attack than has yet been made.
- (6) The Agricultural Extension Service looks upon this as a challenging opportunity to improve the marketing of farm products. It has been called upon by producer and distributor groups to bring its organization and facilities to bear on the problem, and is now expanding and developing its work with retailers.
- (7) Teamwork and joint action by all agencies concerned are essential. Extension will cooperate wherever possible with the schools and colleges, other public agencies, and commercial interests, to make the program really effective.
- (8) The distributive trade occupies a key position in respect to this training work. You will have to shoulder much of the responsibility for warming up the cold potatoes we now have, and insuring that in the future the advance education and on-the-job training will be so well done that retail personnel will be thoroughly fired up and will stay that way.

